

Registre de Commerce et des Sociétés

Numéro RCS : B118212

Référence de dépôt : L160141839

Déposé et enregistré le 27/07/2016

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RCSL Nr. : B118212

Matricule : 2006 2427 877

eCDF entry date : 26/07/2016

BALANCE SHEET

Financial year from ⁰¹ 01/01/2015 to ⁰² 31/12/2015 (in ⁰³ GBP)

Barclays Capital Luxembourg S.à r.l.

9, allée Scheffer
L-2520 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid			
I. Subscribed capital not called	1101 _____	101 _____	102 _____
II. Subscribed capital called but unpaid	1103 _____	103 _____	104 _____
	1105 _____	105 _____	106 _____
B. Formation expenses	1107 _____	107 _____	108 _____
C. Fixed assets			
I. Intangible fixed assets	1109 _____	109 328.024.000,00	110 16.656.000,00
1. Research and development costs	1111 _____	111 _____	112 _____
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1113 _____	113 _____	114 _____
a) acquired for valuable consideration and need not be shown under C.I.3	1115 _____	115 _____	116 _____
b) created by the undertaking itself	1117 _____	117 _____	118 _____
3. Goodwill, to the extent that it was acquired for valuable consideration	1119 _____	119 _____	120 _____
4. Payments on account and intangible fixed assets under development	1121 _____	121 _____	122 _____
II. Tangible fixed assets	1123 _____	123 _____	124 _____
1. Land and buildings	1125 _____	125 810.000,00	126 916.000,00
2. Plant and machinery	1127 _____	127 _____	128 _____
	1129 _____	129 _____	130 _____

The notes in the annex form an integral part of the annual accounts

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131 <u>3</u>	131 <u>810.000,00</u>	132 <u>916.000,00</u>
4. Payments on account and tangible fixed assets under development	1133 _____	133 _____	134 _____
III. Financial fixed assets	1135 _____	135 <u>327.214.000,00</u>	136 <u>15.740.000,00</u>
1. Shares in affiliated undertakings	1137 <u>4</u>	137 <u>0,00</u>	138 <u>5.298.000,00</u>
2. Amounts owed by affiliated undertakings	1139 _____	139 _____	140 _____
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141 _____	141 _____	142 _____
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143 _____	143 _____	144 _____
5. Securities and other financial instruments held as fixed assets	1145 <u>5</u>	145 <u>327.214.000,00</u>	146 <u>10.442.000,00</u>
6. Loans and claims held as fixed assets	1147 _____	147 _____	148 _____
7. Own shares or own corporate units	1149 _____	149 _____	150 _____
D. Current assets	1151 _____	151 <u>26.519.529.000,00</u>	152 <u>27.101.225.000,00</u>
I. Inventories	1153 _____	153 _____	154 _____
1. Raw materials and consumables	1155 _____	155 _____	156 _____
2. Work and contracts in progress	1157 _____	157 _____	158 _____
3. Finished goods and merchandise	1159 _____	159 _____	160 _____
4. Payments on account	1161 _____	161 _____	162 _____
II. Debtors	1163 _____	163 <u>10.091.666.000,00</u>	164 <u>10.349.316.000,00</u>
1. Trade receivables	1165 _____	165 _____	166 _____
a) becoming due and payable within one year	1167 _____	167 _____	168 _____
b) becoming due and payable after more than one year	1169 _____	169 _____	170 _____
2. Amounts owed by affiliated undertakings	1171 _____	171 <u>10.090.872.000,00</u>	172 <u>10.296.905.000,00</u>
a) becoming due and payable within one year	1173 <u>6a</u>	173 <u>2.797.218.000,00</u>	174 <u>10.296.905.000,00</u>
b) becoming due and payable after more than one year	1175 <u>6b</u>	175 <u>7.293.654.000,00</u>	176 <u>0,00</u>
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177 _____	177 _____	178 _____
a) becoming due and payable within one year	1179 _____	179 _____	180 _____
b) becoming due and payable after more than one year	1181 _____	181 _____	182 _____

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	Reference(s)	Current year	Previous year
4. Other receivables	1183 _____	183 <u>794.000,00</u>	184 <u>52.411.000,00</u>
a) becoming due and payable within one year	1185 <u>7</u>	185 <u>794.000,00</u>	186 <u>52.411.000,00</u>
b) becoming due and payable after more than one year	1187 _____	187 _____	188 _____
III. Transferable securities and other financial instruments	1189 _____	189 <u>16.424.014.000,00</u>	190 <u>16.749.126.000,00</u>
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by virtue of participating interests	1191 _____	191 _____	192 _____
2. Own shares or own corporate units	1193 _____	193 _____	194 _____
3. Other transferable securities and other financial instruments	1195 <u>8</u>	195 <u>16.424.014.000,00</u>	196 <u>16.749.126.000,00</u>
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197 <u>9</u>	197 <u>3.849.000,00</u>	198 <u>2.783.000,00</u>
E. Prepayments	1199 _____	199 _____	200 _____
TOTAL (ASSETS)		201 <u>26.847.553.000,00</u>	202 <u>27.117.881.000,00</u>

LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves			
	1301 _____	301 <u>550.142.000,00</u>	302 <u>658.541.000,00</u>
I. Subscribed capital	1303 <u>10a</u>	303 <u>510.405.000,00</u>	304 <u>510.405.000,00</u>
II. Share premium and similar premiums	1305 _____	305 _____	306 _____
III. Revaluation reserves	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 <u>20.623.000,00</u>	310 <u>20.515.000,00</u>
1. Legal reserve	1311 <u>10b</u>	311 <u>20.623.000,00</u>	312 <u>20.515.000,00</u>
2. Reserve for own shares or own corporate units	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves	1317 _____	317 _____	318 _____
V. Profit or loss brought forward	1319 _____	319 <u>127.513.000,00</u>	320 <u>125.453.000,00</u>
VI. Profit or loss for the financial year	1321 _____	321 <u>91.601.000,00</u>	322 <u>2.168.000,00</u>
VII. Interim dividends	1323 <u>10c</u>	323 <u>-200.000.000,00</u>	324 <u>0,00</u>
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
IX. Temporarily not taxable capital gains	1327 _____	327 _____	328 _____
B. Subordinated debts	1329 _____	329 _____	330 _____
1. Convertible loans	1413 _____	413 _____	414 _____
a) becoming due and payable within one year	1415 _____	415 _____	416 _____
b) becoming due and payable after more than one year	1417 _____	417 _____	418 _____
2. Non convertible loans	1419 _____	419 _____	420 _____
a) becoming due and payable within one year	1421 _____	421 _____	422 _____
b) becoming due and payable after more than one year	1423 _____	423 _____	424 _____
C. Provisions	1331 _____	331 <u>327.000,00</u>	332 <u>286.000,00</u>
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 <u>11</u>	335 <u>327.000,00</u>	336 <u>286.000,00</u>
3. Other provisions	1337 _____	337 _____	338 _____
D. Non subordinated debts	1339 _____	339 <u>26.297.084.000,00</u>	340 <u>26.459.054.000,00</u>
1. Debenture loans	1341 _____	341 _____	342 _____
a) Convertible loans	1343 _____	343 _____	344 _____
i) becoming due and payable within one year	1345 _____	345 _____	346 _____
ii) becoming due and payable after more than one year	1347 _____	347 _____	348 _____

	Reference(s)	Current year	Previous year
b) Non convertible loans	1349 _____	349 _____	350 _____
i) becoming due and payable within one year	1351 _____	351 _____	352 _____
ii) becoming due and payable after more than one year	1353 _____	353 _____	354 _____
2. Amounts owed to credit institutions	1355 _____	355 <u>2.515.828.000,00</u>	356 <u>2.512.420.000,00</u>
a) becoming due and payable within one year	1357 <u>12</u> _____	357 <u>2.515.828.000,00</u>	358 <u>2.512.420.000,00</u>
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 <u>7.117.000,00</u>	368 <u>13.720.000,00</u>
a) becoming due and payable within one year	1369 _____	369 <u>7.117.000,00</u>	370 <u>13.720.000,00</u>
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____	379 <u>23.774.139.000,00</u>	380 <u>23.932.914.000,00</u>
a) becoming due and payable within one year	1381 <u>13a</u> _____	381 <u>16.485.309.000,00</u>	382 <u>23.932.914.000,00</u>
b) becoming due and payable after more than one year	1383 <u>13b</u> _____	383 <u>7.288.830.000,00</u>	384 <u>0,00</u>
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Tax and social security debts	1391 _____	391 _____	392 _____
a) Tax debts	1393 _____	393 _____	394 _____
b) Social security debts	1395 _____	395 _____	396 _____

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	Reference(s)	Current year	Previous year
9. Other creditors	1397 _____	397 _____	398 _____
a) becoming due and payable within one year	1399 _____	399 _____	400 _____
b) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
E. Deferred income	1403 _____	403 _____	404 _____
TOTAL (LIABILITIES)		405 <u>26.847.553.000,00</u>	406 <u>27.117.881.000,00</u>

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PROFIT AND LOSS ACCOUNT

Financial year from ⁰¹ 01/01/2015 to ⁰² 31/12/2015 (in ⁰³ GBP)

Barclays Capital Luxembourg S.à r.l.

9, allée Scheffer
L-2520 Luxembourg

A. CHARGES

	Reference(s)	Current year	Previous year
1. Use of merchandise, raw materials and consumable materials	1601 _____	601 _____	602 _____
2. Other external charges	1603 _____ 14	603 _____ 12.390.000,00	604 _____ 7.000,00
3. Staff costs	1605 _____	605 _____ 5.607.000,00	606 _____ 51.000,00
a) Salaries and wages	1607 _____	607 _____ 5.516.000,00	608 _____ 36.000,00
b) Social security on salaries and wages	1609 _____	609 _____ 91.000,00	610 _____ 15.000,00
c) Supplementary pension costs	1611 _____	611 _____	612 _____
d) Other social costs	1613 _____	613 _____	614 _____
4. Value adjustments	1615 _____	615 _____	616 _____
a) on formation expenses and on tangible and intangible fixed assets	1617 _____	617 _____	618 _____
b) on current assets	1619 _____	619 _____	620 _____
5. Other operating charges	1621 _____	621 _____	622 _____
6. Value adjustments and fair value adjustments on financial fixed assets	1623 _____	623 _____ 198.000,00	624 _____ 3.000,00
7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities	1625 _____	625 _____	626 _____
8. Interest and other financial charges	1627 _____	627 _____ 615.508.000,00	628 _____ 570.000,00
a) concerning affiliated undertakings	1629 _____ 15a	629 _____ 589.342.000,00	630 _____ 570.000,00
b) other interest and similar financial charges	1631 _____ 15b	631 _____ 26.166.000,00	632 _____ 0,00

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	Reference(s)	Current year	Previous year
9. Share of losses of undertakings accounted for under the equity method	1649 _____	649 _____	650 _____
10. Extraordinary charges	1633 _____	633 _____	634 _____
11. Income tax	1635 _____ 11	635 <u>267.386.000,00</u>	636 <u>0,00</u>
12. Other taxes not included in the previous caption	1637 _____	637 _____	638 _____
13. Profit for the financial year	1639 _____	639 <u>91.601.000,00</u>	640 <u>2.168.000,00</u>
TOTAL CHARGES		641 <u>992.690.000,00</u>	642 <u>2.799.000,00</u>

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B. INCOME

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Change in inventories of finished goods and of work and contracts in progress	1703 _____	703 _____	704 _____
3. Fixed assets under development	1705 _____	705 _____	706 _____
4. Reversal of value adjustments	1707 _____	707 _____	708 _____
a) on formation expenses and on tangible and intangible fixed assets	1709 _____	709 _____	710 _____
b) on current assets	1711 _____	711 _____	712 _____
5. Other operating income	1713 _____ 16	713 <u>720.189.000,00</u>	714 <u>0,00</u>
6. Income from financial fixed assets	1715 _____	715 _____	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
7. Income from financial current assets	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income from financial current assets	1725 _____	725 _____	726 _____
8. Other interest and other financial income	1727 _____	727 <u>272.501.000,00</u>	728 <u>2.799.000,00</u>
a) derived from affiliated undertakings	1729 _____ 17	729 <u>272.501.000,00</u>	730 <u>2.799.000,00</u>
b) other interest and similar financial income	1731 _____	731 _____	732 _____
9. Share of profits of undertakings accounted for under the equity method	1745 _____	745 _____	746 _____
10. Extraordinary income	1733 _____	733 _____	734 _____
13. Loss for the financial year	1735 _____	735 <u>0,00</u>	736 <u>0,00</u>
TOTAL INCOME		737 <u>992.690.000,00</u>	738 <u>2.799.000,00</u>

Barclays Capital Luxembourg S.à r.l.**B 118 212****Notes to the annual accounts
For the year ended 31 December 2015****Note 1 General information**

Barclays Capital Luxembourg S.à r.l. (the "Company") was incorporated on 28 July 2006 and organised under the laws of Luxembourg as a Société à responsabilité limitée for an unlimited period.

The registered office of the Company is established at 9 allée Scheffer, L-2520 Luxembourg.

The Company prepares its annual accounts up until 31 December. Previously, the financial year ended on 24 December, however in 2014 this was changed so the accounting year starts on 1 January of each year and end on 31 December. Therefore, the comparative figures are for the period from 25 December 2014 until 31 December 2014.

The Company has as its business purpose the holding of participations, in any form whatsoever, in Luxembourg and foreign companies, the acquisition by purchase, subscription, or in any other manner as well as the transfer by sale, exchange or otherwise of stock, bonds, debentures, notes and other securities of any kind, the possession, the administration, the development and the management of its portfolio.

The principal business activity of the Company is collateralised equity financing, conducted over main market listed equities.

Based on the criteria defined by Luxembourg law, the Company is exempted from the obligation to draw up consolidated accounts and a consolidated management report for the year ended 31 December 2015. Therefore, in accordance with the legal provisions, these annual accounts are presented on a non-consolidated basis to be approved by the shareholders.

The Company is included in the consolidated accounts of Barclays Bank PLC ("BBPLC") which forms the smallest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at 1 Churchill Place, Canary Wharf, London E14 5HP, United Kingdom.

The Company is also included in the consolidated accounts of Barclays PLC which forms the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at 1 Churchill Place, Canary Wharf, London E14 5HP, United Kingdom.

Note 2 Summary of significant accounting policies**a) Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention.

Certain assets and liabilities are held via an English trust named Barclays Capital Luxembourg S.à r.l. Trust. The Company is the sole beneficiary of this trust, and all related net income is treated as being directly attributable to the Company.

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Notes to the annual accounts
For the year ended 31 December 2015

Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December 2002, determined and applied by the Managers. The Company maintains its books in "GBP" and the annual accounts have been prepared in conformity with generally accepted accounting principles in Luxembourg including the following significant accounting policies:

b) Fixed assets

Tangible assets

Tangible assets are valued at purchase price including the expenses incidental thereto or at production cost.

Tangible assets are amortized over their estimated useful economic lives.

Where the Company considers that a tangible asset has suffered a durable depreciation in value, an additional write-down is recorded in order to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Financial assets

Financial assets are stated at historical acquisition cost, including expenses incidental thereto. Write-downs are recorded if, in the opinion of management, a permanent impairment in value has occurred. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Dividend income is recognised in the profit and loss account on the date it is declared. Interest income is accrued straight line, or using the effective interest rate, where appropriate.

c) Other investments

Other investments are valued at the lower of purchase cost, including expenses incidental thereto and calculated on the basis of weighted average prices, or market value expressed in GBP. A value adjustment is recorded where the market value is lower than the purchase cost. These value adjustments are not continued if the reasons for which they were made have ceased to apply. Any interest earned on other investments and other financial instruments is accrued on a daily basis.

The market value corresponds to:

- The last available quote on the valuation day for other investments listed on a stock exchange or dealt in on another regulated market; or
- The probable realisation value estimated with care and in good faith by the Board of Managers for other investments not listed on a stock exchange or not dealt in on another regulated market and for other investments listed on a stock exchange or dealt in on another regulated market where the latest quote is not representative.

d) Foreign currency translation

Monetary assets and liabilities stated in currencies other than GBP are translated at the exchange rates prevailing at the balance sheet date. Income and expenses denominated in foreign currency

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**Notes to the annual accounts
For the year ended 31 December 2015**

have been translated at the exchange rate prevailing at the transaction date. Realized and unrealized exchange losses and realized exchange gains are recorded in the profit and loss account. Unrealized exchange gains are not recorded.

When there is an economic link between an asset and a liability, only a net unrealized loss will be recognized in the profit and loss account.

e) Debtors

Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

f) Critical accounting estimates and judgements

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise their judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Note 3 Fixed assets – tangible assets

The assets consist of capitalised infrastructure costs, and office equipment used in the Company's office. All items are in the category of other fixtures and fittings, tools and equipment.

Barclays Capital Luxembourg S.à r.l.

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Notes to the annual accounts
For the year ended 31 December 2015

The movements for the year are as follows:

	Total
Figures in GBP' 000	
Gross book value – opening balance	2,507
Additions for the year	92
Disposals for the year	-
Gross book value – closing balance	2,599
 Amortisation – opening balance	 (1,591)
Amortisations for the year	(198)
Amortisation on disposals	-
Amortisation – closing balance	(1,789)
 Net book value – opening balance	 916
Net book value – closing balance	810

Note 4 Financial assets – shares in affiliated undertakings

The movements on the “Shares in affiliated undertakings” item during the year are as follows:

Figures in GBP 000 s	Ayn Fund	Total
Gross book value		
Opening balance	5,298	5,298
Movements	(5,298)	(5,298)
Closing balance	-	-
Depreciation & valuation adj		
Opening balance	-	-
Movements	-	-
Closing balance	-	-
Net book value		
Closing balance	-	-
Opening balance	5,298	5,298

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Notes to the annual accounts
For the year ended 31 December 2015

At the start of the year the Company held 84,362 units in the Ayn Fund, a German law governed special fund set up as a hedge fund (*Sondervermögen mit zusätzlichen Risiken*), with registered office at Ferdinandstrasse 75, 20095, Hamburg, Germany.

On 20 May 2015 the Company redeemed all of 84,362 units held in Ayn Fund, resulting in a nil balance at the year end.

Note 5 Financial assets – investments held as fixed assets

The movements for the year are as follows:

Figures in GBP 000	Security Investments	Total
Gross value – opening balance	10,442	10,442
Additions for the year	316,772	316,772
Disposals for the year	-	-
Transfers and revaluations for the year	-	-
Gross value – closing balance	327,214	327,214

The Company holds a series of long-term security investments in main index equities with the intent of holding them for more than one year worth GBP 327,214k as at year end. During the year the long-term security investments were increased from six names to seventy five names.

Note 6 Debtors - amounts owed by affiliated undertakings

a) Becoming due and payable within one year

The Company was also owed GBP 2,516m in respect of principal and interest on a secured funding agreement with BBPLC (31 December 2014: GBP 2,512m), and GBP 276,495k in respect of loans and expense accruals due from affiliated entities (31 December 2014: GBP 541,790k).

b) Becoming due and payable after more than one year

At the balance sheet date the Company was mainly owed GBP 7,294m by Barclays Capital Securities Limited ("BCSL"), for collateral pledged on the borrowing of overseas securities (31 December 2014: GBP 7,243m) via a stock lending agreement with BCSL (the "Stock Borrow").

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Notes to the annual accounts
For the year ended 31 December 2015

Note 7 Debtors - Other receivables**Becoming due and payable within one year**

During the year the Company fully provided against certain withholding tax reclaims from overseas governments (31 December 2014: GBP 36,341k). This provision has been raised in respect of a single claim, which is currently under dispute with the government in question.

It is owed GBP 794 k for various outstanding dividend claims, loans, collateral positions and trade debts, all of which are payable within one year (31 December 2014: GBP 16,070 k).

Note 8 Other transferable securities and other financial instruments

At the balance sheet date the Company held GBP 7,289 m of investments via the Stock Borrow (see note 6) with BCSL (31 December 2014: GBP 7,228 m).

In 2014 the Company entered into an arm's length purchase with deferred consideration agreement with a Luxembourg affiliated entity, under which the Company acquired full ownership and use of a portfolio of listed European equities, largely consisting of Eurostoxx 50 and Dax 30 equities (the "Index Portfolio"). On 4 November 2015, the Company settled the deferred consideration agreement with a Luxembourg affiliated entity. On 4 November 2015, the Company entered into price performance swaps with BBPLC in order to hedge its exposure to the Index Portfolio. The Managers of the Company intend to remain fully hedged at all times and therefore consider the Index Portfolio and the hedging instruments should be considered as a whole. As such the Company records the Index Portfolio at cost GBP 9,135m (31 December 2014: GBP 9,519m) and does not recognise unrealised gains or losses on the price performance swaps.

During the year ended 31 December 2015, the Company recorded a net gain of GBP 35,339k (31 December 2014: GBP nil) on the Index Portfolio in the caption other interest and other financial income, consisting of higher actual dividends receipts GBP 275,976k vs. the expected amounts as calculated in the initial purchase price (GBP 240,637k) in April 2014.

At the year end, the Company also held GBP 357 k of UK government bonds (31 December 2014: GBP 913k).

Note 9 Cash at bank and in hand

At balance sheet date the Company held GBP 3,849k of cash in several bank accounts (31 December 2014: GBP 2,783k). Of this balance, GBP 1,689k was in accounts held with external banks (31 December 2014: GBP 934k).

Barclays Capital Luxembourg S.à r.l.

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Notes to the annual accounts
For the year ended 31 December 2015

Note 10 Capital and reserves

a) Subscribed Capital

At 31 December 2015 the Company's subscribed capital consisted of 510,405,239 ordinary shares, with each share having a nominal value of GBP 1. All the shares are fully paid up, and each share entitles the holder to one vote in the Company shareholder meetings.

There were no movements in the subscribed capital during the year.

b) Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net profit, until the reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

c) Interim dividends

On 16 December 2015 the Managers of the Company resolved to pay an interim dividend on the ordinary shares of GBP200,000,000.

Note 11 Taxation

The Company is subject to all taxes applicable to commercial companies in Luxembourg. The charge for the year includes withholding tax withheld on dividend distributions received on listed equities.

Note 12 Amounts owed to credit institutions

Becoming due and payable within one year

The Company owes GBP 2,516m to a third party institution under a collateralised lending arrangement (31 December 2014: GBP 2,512m).

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Notes to the annual accounts
For the year ended 31 December 2015

Note 13 Amounts owed to affiliated undertakings**a) Becoming due and payable within one year**

At 31 December 2015 the Company owed GBP 6,338m to a Luxembourg affiliated entity under a facility agreement that is repayable on demand (31 December 2014: GBP 6,687m).

In order to fund the purchase of the Index Portfolio in November 2015 (note 8), the Company borrowed GBP 9,463m from BBPLC.

The Company also owes GBP 683,292k to BBPLC under a Repo borrowing arrangement (31 December 2014: GBP 770,153 k).

At 31 December 2015 the Company had repaid amounts owed to a Luxembourg affiliated entity representing the purchase price due on the final settlement of the purchase of the Index Portfolio (31 December 2014: GBP 9,247m).

The Company had further short term borrowings from affiliated undertakings of GBP 85k, which are repayable within one year (31 December 2014: GBP 165 k).

b) Becoming due and payable after more than one year

At 31 December 2015 the Company owed GBP 7,289m to BCSL relating to delivery obligations on transferable securities acquired under the Stock Borrow (see note 6 and 8) (31 December 2014: GBP 7,228m)

Note 14 Other external charges

The external charges represent transaction-related legal advice and the general running costs of the Company.

Note 15 Interest and other financial charges**a) Concerning affiliated undertakings**

During the year, the Company paid GBP 47,718k of interest expense on loans from affiliated undertakings (period ended 31 December 2014: GBP 570k).

During the year ended 31 December 2015 the Company also paid GBP 541,624k of net manufactured dividends and fees in respect of securities acquired and those subject to the Stock Borrow (see note 6) (period ended 31 December 2014: GBP nil).

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b) Other interest and similar financial charges

During the year ended 31 December 2015 the Company paid GBP 24,218k to a third party institution under a collateralised lending arrangement, and incurred GBP 1,948k of repo interest charges and other interest expenses with third party undertakings. No expense was incurred for these during the period ended 31 December 2014.

Note 16 Other operating income

During the year ended 31 December 2015 the Company mainly received gross dividend and fee income of GBP 712,736k relating to transferable securities transactions and GBP 7,453k relating to interest and payments for services provided under partnership arrangements. No such an income was received for the period ended 31 December 2014.

Note 17 Other interests and other financial income

Derived from affiliated undertakings

The Company has borrowed overseas equities from BCSL under the Stock Borrow transaction for which it provided cash collateral (see note 6). The Company received interest at market rates on this collateral, earning GBP 143,479k of interest income (period ended 31 December 2014: GBP 2,799 k).

During the year ended 31 December 2015 the Company also received GBP 76,123k (period ended 31 December 2014: nil) of net trading income under the securities purchased under the arm's length purchase with deferred consideration agreement with a Luxembourg affiliated entity, relating to the Index Portfolio (refer to note 8). The net trading income comprises dividend income which has been subject to GBP 56,258k of withholding tax (refer to note 11).

During the year ended 31 December 2015 the Company also earned GBP 52,899k of interest income in further transactions with affiliated undertakings.

Note 18 Employees

The Company employed an average of 42 full time employees during the year (period ended 31 December 2014: 30).

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Note 19 Off balance sheet items

The Company has entered into Credit Default Swap transactions with BBPLC, as part of an arrangement to secure certain intra-group exposures.

The Company is party to a credit default swap ("CDS") that guarantees the performance of borrowings undertaken by a Barclays Group entity with Barclays Bank PLC. This CDS has a fair value of GBP zero as the probability of default is considered remote.

The Company has simultaneously granted Barclays Bank PLC a call option ("the Call") entitling Barclays Bank PLC to offset any amounts owed to it by the defaulting entity, against any borrowings granted to it by the Company for a maximum amount up to the fair value on exercise of those borrowings. The call can only be exercised if the CDS is triggered. The fair value of the call is GBP zero.

The Company has entered into a security interest providing BBPLC a right of rehypothecation whereby the equities (see note 8) recorded as Other transferable securities are transferred to BBPLC free of collateral.

Note 20 Subsequent events

On 15th March 2016 the Company issued five year subordinated debt to an external investor with a notional value of GBP65m.

On 20th June 2016 the Company issued five year subordinated debt to an affiliated entity with a notional value of GBP135m.

On 20th June 2016 the sole shareholder decided to reduce the Company's share capital by GBP200m thereby reducing the share capital from GBP510,405,239 to GBP310,405,239.

No other subsequent events took place out of the ordinary course of business.